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United States Department of Agriculture
Office of Public Affairs
Washington, D.C. 20250

News Releases and other News Material

Number 05294 May 9 - May 13 1994

IN THIS ISSUE:

For further information about this booklet contact Charles Hobbs, editor, Office Of Communications, Room 556-A, U.S Department of Agriculture, Washington, D.C. 20250 or call (202) 720-5881.

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Statement-

Release No. 0382.94
Tom Amontree (202) 720-4623

by
Secretary of Agriculture Mike Espy on the
Passage of the Conference Agreement to
the FY 1995 Budget Resolution Conference
May 12, 1994

The following statement was released today from Johannesburg, South Africa by Secretary Mike Espy regarding passage of the Conference Agreement to the FY 1995 Budget Resolution Conference:

"I was pleased to learn today that Congress passed the Conference Agreement to the 1995 Budget Resolution, and I commend the Conferees for making the yearly baseline adjustment of $1 billion to reflect historical spending on crop disaster relief, so that our crop insurance reform plan can now move forward."

"This initiative grew directly from my visit with President Clinton to the Midwest flood areas last summer where we witnessed the devastation experienced by thousands of family farms and learned first hand that our current system of providing assistance when disaster strikes was simply not working. On that day the President made a promise to fix this broken program, and we're doing just that."

"The Federal Crop Insurance Act of 1994 is a model for making government perform better for people. By combining two redundant government programs--Federal crop insurance and Federal ad hoc disaster relief-- into a single, unified, on budget program, farmers and taxpayers alike benefit from a program that offers certainty as well as security."

"I applaud the Conferees for acknowledging the importance of this baseline adjustment and look forward to the bill's swift passage. The American farmer deserves nothing less."

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News Releases-

Release No. 0373.94
Clarence Steinberg (202) 720-6179
Jerry Redding (202) 720-6959

USDA TO REDUCE DAIRY PRODUCT TESTING COSTS

WASHINGTON, May 9 -- The U.S. Department of Agriculture is reducing costs for some of its dairy product laboratory tests.

Lon Hatamiya, administrator of USDA's Agricultural Marketing Service, said the reductions result from re-examining laboratory procedures and new efficiencies in administering the tests. Certain procedures now can be conducted in half the time they took in the past, which means that USDA could charge less for those tests, he said.

Under law, the USDA dairy product testing program must be self-supporting.

The $34.20 current hourly fee, announced in the August 9, 1993, Federal Register, remains unchanged.

Details of the efficiencies to be applied to the dairy product testing program will appear as an interim final rule in the May 10 Federal Register. Comments may be sent by June 9, 1994, to Jon McNeal, Science Division, AMS, USDA, Rm. 3507-S, P.O. Box 96456, Washington, D.C. 20090-6456. Copies of the rule and additional information may be obtained from him at that address, tel. (202) 690-4089, FAX (202) 720-6496.

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Release No. 0374.94
Ed Curlett (301) 436-7255
Jerry Redding (202) 720-6959

USDA WITHDRAWS DECISION ON HOT AIR TREATMENTS FOR FRUITS

WASHINGTON, May 10 -- The U.S. Department of Agriculture has withdrawn an earlier decision to allow hot-air treatments for grapefruit and mangoes imported from Mexico as a means to ensure that these commodities are free of plant pests.

The decision was published in the March 1, Federal Register as a direct final rule. However, due to receiving an adverse written comment, the rule has been withdrawn. A proposed rule on the treatment will be published at a later date.

The hot-air treatment consists of placing boxes of grapefruits and mangoes into heated forced-air chambers until the fruit's core reaches 118 degrees F.

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Release No. 0376.94
Joe O'Neill (202) 720-4323

USDA GUARANTEES $6.7 MILLION LOAN FOR VERMONT FARMLAND PROTECTION

WASHINGTON, May 11 -- Secretary of Agriculture Mike Espy announced today that the U.S. Department of Agriculture (USDA) will guarantee a $6,673,465 loan to help keep farmland in Vermont from being converted to nonfarm purposes.

"This loan will provide further financing to ensure that Vermont's farm economy will be preserved and will allow the State's farmers to realize the economic value of their land without selling the farm for development," Espy said.

"Senator Leahy established this program, Farms for the Future, in the 1990 farm bill to provide a way for a farmer to preserve his or her land as a farm, and to make it possible for young people in Vermont to have a future in farming."

The loan announced today is the third in the Farms for the Future program guaranteed to the Vermont Housing and Conservation Board. The board uses the funds to purchase development rights.

"This program will not solve all the problems facing Vermont farmers," Espy said. "Farmers still need to work together and with USDA to develop new markets and get the best prices for their products. But this program plays an important role in keeping a strong agriculture presence in Vermont."

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Release No. 0377.94
Lynn Goldsbrough (202) 720-3930
Wayne Baggett (202) 720-2156

U.S. TO DONATE BUTTER FOR USE IN UKRAINE

WASHINGTON, May 12--The United States will donate $1.4 million worth of butter for use in the Ukraine. According to Christopher E. Goldthwait, general sales manager for the U.S. Department of Agriculture's (USDA) Foreign Agricultural Service (FAS), the donation will include transportation costs.

Global Jewish Assistance and Relief Network, a private U.S. voluntary organization, will distribute 800 metric tons of butter to aid dietary needs of people in hospitals, schools, orphanages, old-age homes and institutions for the mentally handicapped. Butter will also be delivered to the elderly, the homebound, and people unable to stand in the food lines due to disabilities.

The donation will be made under Section 416(b) of the Agricultural Act of 1949, which authorizes the donation of surplus commodities owned by USDA's Commodity Credit Corporation to developing countries. The program is administered by USDA's Foreign Agricultural Service.

The supply period of the donation is fiscal 1994.

For more information, contact James F. Keefer, FAS, (202) 720-5263.

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Release No. 0378.94
Steve Kinsella (202) 720-4623
Tom Amontree (202) 720-4623

CLINTON ADMINISTRATION CONTINUES TO AGGRESSIVELY PURSUE DELINQUENT FmHA LOANS

WASHINGTON, May 12 -- Efforts to collect delinquent loans owed to the Department of Agriculture took another step forward when President Bill Clinton signed into law a bill that gives the USDA the ability to use private attorneys in collection and foreclosure actions of farm program loans.

The Farmers Home Administration Improvement Act was introduced by Senator Patrick Leahy and Congressman Tim Johnson. "Congress's immediate action on this legislation, and the President's signing of this bill, is another indication of how serious we are in addressing delinquent large loans," said Secretary of Agriculture Mike Espy.

This action is just one of a number of aggressive efforts undertaken in the past several months to address delinquent Farmers Home Administration loans. In February, Secretary Espy created the Loan Resolution Task Force to resolve loan delinquencies in an expedited manner, and to maximize return to the U.S. Government.

"As with all loans, these large million dollar loans were made to these producers on good faith that they would repay the loans. Once it became clear that these loans were not being repaid in the early 1980's, immediate actions should have been taken. For whatever reasons, they weren't," he said.

"This Administration, however, will not sit back and let some wealthy individuals not satisfy their debt to the Federal Government."

The new authority provides the FmHA with the ability the increase its current litigation efforts. No additional funding for private attorneys will be required, as expenses will be paid from funds collected from the delinquent loans. USDA anticipates that the use of this expanded authority will produce a savings to the Federal Government due to accelerated collection of debts owed to FmHA.

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Release No. 0379.94
Ed Curlett (301) 436-3256
Jerry Redding (202) 720-6959

USDA PROPOSES ALLOWING FRUIT COLD TREATMENT IN WILMINGTON, N.C.

WASHINGTON, May 12 -- The U.S. Department of Agriculture today proposed a change in regulations to allow cold treatment of fruits and vegetables after arrival at the port of Wilmington, N.C.

"Cold treatment of imported fruits and vegetables by sustained refrigeration prevents injurious insects, such as fruit flies, from entering and becoming established in the United States," said B. Glen Lee, deputy administrator for plant protection and quarantine in USDA's Animal and Plant Health Inspection Service.

The climatic and biological barriers in Wilmington are adequate to prevent the introduction of certain plant pests into the United States should these pests escape before cold treatment, Lee said.

"Before we amend the regulations, we want to consider comments on the pest risk, the safeguards required and any additional restrictions necessary to allow expansion of the cold-treatment program," Lee said.

At present, fruits and vegetables required to be treated for fruit flies may arrive in the U.S. only at Atlantic ports north of and including Baltimore, Md.; ports on the Great Lakes and St. Lawrence Seaway; Canadian border ports on the North Dakota border and east of North Dakota, and, for air shipments, Washington, D.C., at Baltimore-Washington International and Dulles International airports.

The APHIS proposal is scheduled for publication in the May 13 Federal Register.

Comments will be accepted if they are received on or before June 13. An original and three copies of written comments referring to docket number 93-121-2 should be sent to: Chief, Regulatory Analysis and Development, PPD, APHIS, USDA, Room 804, Federal Building, 6505 Belcrest Road, Hyattsville, Md. 20782.

Comments received may be reviewed at USDA, Room 1141 South Building, 14th Street and Independence Avenue, S.W., Washington, D.C., between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays. Persons wishing to review comments are requested to call ahead on (202) 690-2817 to facilitate entry into the comment reading room.

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Release No. 0380.94
Sara Wright (202) 720-9528
Jerry Redding (202) 720-6959

USDA RELEASES 1993 STATISTICS ON PACKER SLAUGHTER ACTIVITY

Washington, May 12 -- The U.S. Department of Agriculture today released statistics showing that the percentage of cattle slaughtered, that were owned or controlled by the top 15 packer firms before slaughter, decreased in 1993 approximately 2.0 percentage points from 1992.

The 1993 commercial steer and heifer slaughter was 26.6 million head. The top 15 firms slaughtered 94.4 percent of that number, or 25.1 million head.

Data shows the packers' captive supplies decreased from 19.4 percent in 1992 to 17.4 percent in 1993. On a monthly basis, the captive supplies ranged from a high of 24.1 percent in April 1993 to a low of 14.4 percent in September of that year.

During 1993, these firms contracted 13.3 percent and fed 4.1 percent. In 1992, they contracted 15.3 percent and fed 4.1 percent, or 19.4 percent of the total slaughter for that year. Marketing agreements are included in the percentage contracted by packer firms.

Captive supplies accounted for 17.5 percent of the top four firms' slaughter in 1993, a decrease of 3.3 percentage points from 1992. Of this amount, 13.7 percent was contracted and 3.8 percent fed.

Data collected by the Packers and Stockyards Administration shows the percentage of captive supplies for the top 15 firms as 19.29 percent of total slaughter for 1988, 22.39 percent in 1989, 18.89 percent in 1990, 17.24 percent in 1991, and 19.45 in 1992.

In 1988, the top four firms contracted and fed 20.51 percent of total slaughter, 24.94 percent in 1989, 20.14 percent in 1990, 18.69 percent in 1991, and 20.79 percent in 1992.

In the High Plains and Colorado marketing areas, 16.2 percent of the total slaughter for 1993 was contracted and 4.8 percent was fed, for a total of 21.0 percent. In 1992, 19.9 percent of total slaughter was contracted and 5.3 percent fed, for a total of 25.2 percent of total slaughter.

Nebraska and Iowa accounted for 7.4 percent of total slaughter fed and contracted, down 1.6 percentage points from 9.0 percent in 1992. The percentage contracted decreased from 8.3 percent in 1992 to 6.6 percent in 1993. The amount fed remained the same at 0.7 percent for both 1992 and 1993.

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Release No. 0386.94
Gil High (202) 720-8998
Jerry Redding (202) 720-6959

ESPY NAMES MEMBERS TO NATIONAL DAIRY BOARD

WASHINGTON, May 13 -- Secretary of Agriculture Mike Espy has announced the appointment of 12 new members to the National Dairy Promotion and Research Board.

Appointed were Mary E. Cameron, Hanford, Calif., (region 2); Jack S. Davis, Kuna, Idaho, (region 3); Jimmie L. Davis, Green Forest, Ark., (region 4); Ronnie Hornstra, Avon, S.D., (region 5); Lyle Tjosaas, Kasson, Minn., (region 5); David Krug, Owen, Wis., (region 6); Roger Rebout, Janesville, Wis., (region 6); Myron E. Erdman, Chenoa, Ill., (region 7); Roger Crossgrove, Archbold, Ohio, (region 9); William Higginbotham, Washington, Ga., (region 10); H. Wallace Cook, Jr., Newark, Del., (region 11); and Paul R. Kirsch, Varysburg, N.Y., (region 12).

All appointees serve three-year terms.

The National Dairy Promotion and Research Board, composed of 36 dairy farmers representing 13 regions of the contiguous United States, administers a coordinated program of promotion, research and nutrition education.

The board was established by the Dairy and Tobacco Adjustment Act of 1983. It is authorized to develop programs to strengthen the dairy industry's position in domestic and foreign markets.

The national program is financed by a mandatory 15-cent per hundredweight assessment on milk produced in the contiguous states and marketed commercially by dairy farmers. USDA's Agricultural Marketing Service monitors the operation of the board.

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Program Announcements-

Release No. 0375.94
Gene Rosera (202) 720-6734

USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES

WASHINGTON, May 10--Under Secretary of Agriculture Eugene Moos today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

--long grain whole kernels:	9.76 cents per pound
--medium grain whole kernels:	11.57 cents per pound
--short grain whole kernels:	11.43 cents per pound
--broken kernels:	4.88 cents per pound

Based upon these milled rice world market prices, loan deficiency payment (LDP) rates, gains from repaying price support loans at the world market price, and marketing certificate rates are:

	Loan Gain and LDP Rate	Marketing Certificate Rate
	..............$/Cwt.	....
--for long grain:	$0.61	$0.00
--for medium grain:	$0.00	$0.00
--for short grain:	$0.00	$0.00

The announced prices and rates are effective today at 3:00 P.M. EDT. The next scheduled price announcement will be made May 17, 1994 at 3:00 P.M. EDT.

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Release No. 0381.94
Janise Zygmont (202) 720-6734

USDA ANNOUNCES PREVAILING WORLD MARKET PRICE AND USER MARKETING CERTIFICATE PAYMENT RATE FOR UPLAND COTTON

WASHINGTON, May 12--Grant Buntrock, executive vice president of USDA's Commodity Credit Corporation, today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price or AWP), for Strict Low Middling (SLM) 1-1/16 inch (leaf grade 4, micronaire 3.5-3.6 and 4.3-4.9, strength 24-25 grams per tex) upland cotton (base quality), and the coarse count adjustment (CCA) in effect from 5:00 p.m. today through 3:59 p.m. Thursday, May 19. The user marketing certificate payment rate announced today is in effect from 12:01 a.m. Friday, May 13 through midnight Thursday, May 19.

The Agricultural Act of 1949, as amended, provides that the AWP may be further adjusted if: (a) the AWP is less than 115 percent of the current crop year loan rate for base quality upland cotton, and (b) the Friday through Thursday average price quotation for the lowest-priced U.S. growth as quoted for Middling (M) 1-3/32 inch cotton, C.I.F. northern Europe (USNE price) exceeds the Northern Europe (NE) price. Because this week's calculated AWP is equal to 137 percent of the 1993 upland cotton base quality loan rate, a further adjustment cannot be made.

This week's AWP and coarse count adjustment are determined as follows:

<u>Adjusted World Price</u>

NE Price		85.65	
Adjustments:			
Avg. U.S. spot market location	11.91		
SLM 1-1/16 inch cotton	1.50		
Avg. U.S. location	0.31		
Sum of Adjustments		- 13.72	
ADJUSTED WORLD PRICE		71.93	cents/lb.

<u>Coarse Count Adjustment</u>

NE Price	85.65	
NE Coarse Count Price	- 83.25	
	2.40	
Adjustment to SLM 1-1/32 inch cotton	- 3.20	
	- 0.80	
COARSE COUNT ADJUSTMENT	0	cents/lb.

Because the AWP is above 52.35 cents per pound--the base quality loan rate for both the 1992 and 1993 marketing years--the loan repayment rate during this period is equal to the loan rate, adjusted for the specific quality and location plus applicable interest and storage charges. The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates.

Because the AWP is above the 1993-crop loan rate, loan deficiency payments are not available during this period.

The USNE price has exceeded the NE price by more than 1.25 cents per pound for four consecutive weeks, but not all of the previous four AWP's have been less than 130 percent of the 1993 crop year base quality loan rate. As a result, the user marketing certificate payment rate is zero. Relevant data are summarized below:

Week	For the Friday through Thursday Period Ending	AWP (Announced) As Percent of Loan Rate	USNE Price	NE Price	User Marketing Certificate Payment Rate
			.....	cents/lb	.....
1	Apr. 21, 1994	136.1	88.50	84.99	0
2	Apr. 28, 1994	135.8	88.10	84.83	0
3	May 5, 1994	138.3	90.56	86.14	0
4	May 12, 1994	137.4	88.90	85.65	0

Next week's AWP, CCA and user marketing certificate payment rate will be announced on Thursday, May 19, at 5 p.m.

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Release No. 0383.94
Robert Feist (202) 720-6789

USDA RELEASES SWEETENER MARKET DATA REPORT FOR MARCH 1994

WASHINGTON, May 13 --The U.S. Department of Agriculture's Commodity Credit Corporation today released its Sweetener Market Data report for March 1994.

Report totals, in short tons (2,000 pounds), include:
--March 1, 1994 beginning sugar stocks - 3,951,089.
--U.S. beet sugar production for March 1994 - 246,255.
--U..S. cane sugar production for March 1994 - 332,028.
--Deliveries for March 1994 - 791,712, including
deliveries for domestic human consumption - 783,778.
--March 31, 1994 ending sugar stocks - 3,979,615.

Copies of the Sweetener Market Data report for March 1994 data are available from the Sweeteners Analysis Division, ASCS/USDA, Room 3727-S, P.O. Box 2415, Washington, D.C. 20013; telephone (202) 720-3391; FAX (202) 720-8261.

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